

HOUSE BILL No. 1468

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-13.6-6-2; IC 4-13.6-6-2.7; IC 5-22-15-20.5; IC 5-22-16-4.

Synopsis: Indiana business purchasing preferences. Provides a 20% price preference to Indiana businesses for public works and procurement contracts awarded by the state. Provides that to be considered responsible, an offeror for a purchase by the state that is required to register with the secretary of state must have registered not later than 45 days before the solicitation for the purchase is issued.

Effective: July 1, 2003.

Mays, Whetstone, Grubb

January 15, 2003, read first time and referred to Committee on Commerce and Economic Development.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1468

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-13.6-6-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 2. Except as provided
3 **in section 2.7 of this chapter or** in rules adopted under section 2.5 of
4 this chapter, the division shall award a contract to the lowest
5 responsible and responsive contractor.

6 SECTION 2. IC 4-13.6-6-2.7 IS ADDED TO THE INDIANA
7 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2003]: **Sec. 2.7. (a) As used in this section,**
9 **"Indiana business" refers to any of the following:**

10 (1) **A business whose principal place of business is located in**
11 **Indiana.**

12 (2) **A business that pays a majority of its payroll (in dollar**
13 **volume) to residents of Indiana.**

14 (3) **A business that employs Indiana residents as a majority of**
15 **its employees.**

16 (4) **A business that has a substantial positive economic impact**
17 **on Indiana as defined by rules adopted by the Indiana**



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department of administration. The Indiana department of administration shall consult with the department of commerce in defining an Indiana business under this subdivision.

(b) There is a price preference of twenty percent (20%) for a contractor that is an Indiana business.

(c) A contractor who wants to claim a preference provided under this section must state in the contractor's bid that it claims the preference provided by this section.

(d) The division shall compute a preference under this section in the same manner that a preference is computed under IC 5-22-15.

SECTION 3. IC 5-22-15-20.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 20.5. (a) This section applies only to a contract awarded by a state agency.**

(b) As used in this section, "Indiana business" refers to any of the following:

(1) A business whose principal place of business is located in Indiana.

(2) A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.

(3) A business that employs Indiana residents as a majority of its employees.

(4) A business that has a substantial positive economic impact on Indiana as defined by rules adopted by the Indiana department of administration. The Indiana department of administration shall consult with the department of commerce in defining an Indiana business under this subdivision.

(c) There is a price preference of twenty percent (20%) for supplies purchased from an Indiana business.

SECTION 4. IC 5-22-16-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 4. (a) An offeror that is a foreign corporation must be registered with the secretary of state to do business in Indiana in order to be considered responsible.**

(b) **Except as provided in subsection (c),** the purchasing agent may award a contract to an offeror pending the offeror's registration with the secretary of state. If, in the judgment of the purchasing agent, the offeror has not registered within a reasonable period, the purchasing agent shall cancel the contract. An offeror has no cause of action based on the cancellation of a contract under this subsection.

(c) **This subsection applies only to a contract awarded by a state agency. In order to be considered responsible, an offeror that is a**

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- 1 **business required to register with the secretary of state must have**
- 2 **registered with the secretary of state not later than forty-five (45)**
- 3 **days before the solicitation for the purchase was issued.**

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